

# Indiana House of Representatives

## News and Information

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### **PELATH INTRODUCES LEGISLATION TO INVESTIGATE UTILITY PROFITS**

INDIANAPOLIS – As the Indiana House of Representatives reconvened this week for its 2006 session, State Rep. Scott Pelath (D-Michigan City) has introduced legislation to investigate the causes of soaring home heating costs.

Pelath said medium- and low-income families are being hammered by this winter's energy bills, and they deserve to know who is profiting from high natural gas prices.

"Not a day goes by that a senior citizen or a single, working mother does not tell me of his or her inability to keep up with heating costs," said Pelath. "People who live in our area's older, modest homes are being hit with bills totaling \$400 and \$500. They must have confidence that their utility is doing everything it can to hold down costs."

In an attempt to regain that confidence, Pelath has joined with State Reps. Tom Kromkowski (D-South Bend), Bob Kuzman (D-Crown Point) and Win Moses (D-Fort Wayne) to file House Bill 1147.

The measure would give the Indiana Utility Regulatory Commission (IURC) increased authority to investigate a utility's natural gas purchasing practices, the natural gas transactions of all utility contractors and affiliated businesses, and the records of those companies who sell natural gas to the utilities.

The bill also would empower the IURC to nullify a natural gas purchasing contract if it is not in the public's interest.

"Heating costs are sapping families of their ability to save money and build for the future," Pelath said. "Are utilities working to lighten these bills? Without stronger investigation powers, I won't be convinced. If energy companies are enjoying a windfall of profits at the expense of people who can't afford it, we need to find out."

This week, Kromkowski and Pelath also introduced House Bill 1068, which calls for a full, independent audit of the Northern Indiana Public Service Company (NIPSCO). The legislation would require that the audit results be reported back to the General Assembly.

"I hope one day NIPSCO can again regain the trust of ratepayers," said Pelath. "However, we first must reach a warts-and-all understanding of their business in recent years. Only then can we begin to answer key questions and work to form a new relationship."

Both measures have been referred to the House Utilities and Energy Committee, where they await consideration for a hearing by the panel's chairman, State Rep. Jack Lutz (R-Anderson).

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